

**326.25 Applications — investigations.**

The department shall examine and determine the genuineness, regularity, and legality of every application lawfully made pursuant to [this chapter](#), and may in all cases make investigations as may be deemed necessary or require additional information. The department shall reject any such application if not satisfied of the genuineness, regularity, or legality thereof of the truth of any statement contained therein, or for any other reason, when authorized by law. The department is hereby authorized to take possession of any indicia of proportional registration or reciprocity upon expiration, revocation, cancellation, or suspension thereof, or which is fictitious, or which has been unlawfully or erroneously issued.

The department may suspend or revoke the registration indicia of a vehicle registered on a prorated basis in any one of the following events:

1. When the department is satisfied that such registration indicia was issued upon fraudulent application. Bona fide errors shall be corrected within fifteen days after notification by the department.

2. When the department determines that the required fee has not been paid and same is not paid upon reasonable notice and demand.

3. When the registration indicia is knowingly displayed on a vehicle which is not in the prorate fleet of the registrant.

4. Upon a determination that the motor vehicle does not have financial liability coverage as required under [section 321.20B](#).

[C71, 73, 75, 77, 79, 81, §326.25]

97 Acts, ch 139, §14, 17, 18; 98 Acts, ch 1121, §8